

STATE OF ILLINOIS

ILLINOIS COMMERCE COMMISSION

Northern Illinois Gas Company d/b/a/	)	
Nicor Gas Company	)	
	)	Docket No. 04-0779
Proposed general increase in rates,	)	
and revisions to other terms and	)	
conditions of service.	)	

**THE PEOPLE OF THE STATE OF ILLINOIS' RESPONSE  
TO NICOR'S EMERGENCY MOTION FOR CORRECTION  
OF TWO COMPUTATIONAL ERRORS AND OF THEIR  
DERIVATIVE IMPACTS IN THE FINAL ORDER  
AND APPENDIX A THERETO**

The People of the State of Illinois, by Lisa Madigan, Attorney General of the State of Illinois ("the People"), pursuant to Part 200.190 of the Rules of Practice of the Illinois Commerce Commission, 83 Ill. Admin. Code Part 200.190, respond to Northern Illinois Gas Company's ("Nicor Gas") Emergency Motion for Correction of Two Computational Errors and of their Derivative Impacts in the Final Order and Appendix A Thereto. In support of their response to Nicor Gas' Motion, the People state the following:

1. Assuming that the Commission has not changed it's position regarding Nicor Gas's proposed Section 263A adjustment from the proposed order, the People do not oppose Nicor Gas' first argument to correct a mistaken subtraction of \$66,900,000 from rate base.
2. The People oppose Nicor Gas' second argument, that its pro forma uncollectible accounts expense under present rates in Appendix A, Page 1, Column (d) to the Final Order should be \$37,748,000, which is \$864,000 greater than the

\$36,884,000 actually listed in the Order. Nicor Gas Emergency Motion at 3; See also, Final Order, Appendix A, Page 1, Column (d).

3. In the Final Order's discussion of this issue, the Commission only notes in its description of the Company's position, that "Nicor states that its total uncollectible expense, based on data as of March 31, 2005, is \$37,748,000. (Nicor BOE at 89)." Final Order at 50. This statement does not amount to a finding by the Commission that Nicor Gas' uncollectible accounts expense is in fact \$37,748,000, as asserted by the Nicor Gas Motion. Nicor Gas Motion at ¶ 6.
4. Nicor Gas only cited the \$37,748,000 figure in its Brief on Exceptions to support its proposal to shift the gas cost related to uncollectible accounts expense to the PGA, an argument that the Commission rejected. NG BOE at 89, citing NG Ex. 26.0B at 3:67.<sup>1</sup>
5. The Final Order's "Commission Analysis and Conclusion" section on this issue does not mention the \$37,748,000 figure.
6. Nicor's actual proposal, and the figure adopted by the Commission in its Proposed Order, was \$35,162,000. Nicor Gas Ex. 26.1, Schedule 1.04 and Nicor Gas Ex. 66B.0, 78-81; See also Proposed Order, Appendix A, Page 1, Column (d).
7. Nicor has not provided how or where the record supports the \$37,748,000 figure as Nicor Gas's Uncollectible Accounts Expense. The \$35,162,000 figure was the Company's last actual proposal on the record in this case. See NG Ex. 26.1 Sch.

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<sup>1</sup> The \$37,162,000 figure for Uncollectable Accounts Expense does not appear anywhere in the Gorenz Rebuttal testimony cited by the NG BOE.

1.04. Therefore, the Commission should reject the \$37,748,000 figure as not supported by the record.

8. Nicor has failed to demonstrate that the Commission should change the Order's determination of Nicor Gas's Uncollectable Accounts Expense from the \$36,162,000 figure, which was proposed on the record by Nicor Gas and adopted by the Commission in its Proposed Order.

WHEREFORE, for the aforementioned reasons, the People of the State of Illinois urge the Commission to deny Nicor Gas' Emergency Motion with respect to its argument on the issue of Uncollectible Accounts Expense.

Respectfully Submitted,

The People of the State of Illinois

By LISA MADIGAN, Attorney General

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